



## TRANSITIONING TO COLLEGE CHECKLIST

Sending children off to college is a time of transition. Transitions from a legal perspective include becoming an adult at age 18 in most states, when they can enter into contracts and health care rules change. The Health Insurance Portability and Accountability Act (HIPAA) protects their information, including from family members. Federal law (Family Educational Rights and Privacy Act – do internet search on FERPA) protects student privacy, including from parents. At age 21, UTMA/UGMA custodial assets transfer to the child in most states. These legal transitions and other common sense “to-do’s” form the backdrop for this checklist. Not everything applies to every family, and not every student will want all of these.

Please send us your feedback and real life lessons learned via email [clientservices@summitfin.com](mailto:clientservices@summitfin.com).

### HEALTH CARE CONSIDERATIONS

- Three documents allow a parent to assist a child/student with medical matters. Consider doing all three.
  - **Health Care Power of Attorney (HCPOA)** allows you to make medical decisions for the child if needed. Your estate planning attorney can provide the document. Also, standard forms are available in most states. Use your home state’s forms, and/or the state where they will be attending college.
    - Prefer forms approved by your state bar association, the medical or hospital association or are described as “statutory” - meaning written into your state’s law.
    - Ohio forms available at [www.franklincountyohio.gov/probate/forms.cfm](http://www.franklincountyohio.gov/probate/forms.cfm)
    - Many state’s forms at [www.finance.cch.com/tools/poatforms\\_m.asp](http://www.finance.cch.com/tools/poatforms_m.asp) or [www.caringinfo.org](http://www.caringinfo.org)
    - Do internet search for: statutory health care power of attorney <your state name>
  - **HIPAA release** authorizes you to access to medical information. See your attorney.
  - HCPOA and HIPAA release are general, applying at school or traveling, and after they graduate.
  - **FERPA Waiver:** At school, FERPA rules will likely apply to both education and health care records. Consider having the student sign **FERPA waiver**. Use the school’s forms if available: see their website.
    - Note a **FERPA waiver** is not required for medical records if they are maintained by a student health clinic and disclosed solely for treatment purposes. In this case a student’s written consent is not required to inform parents, if (a) the parent claims the student as a dependent on their Federal tax return or (b) the disclosure is related to a health or safety emergency.
    - However, if a student’s medical records are maintained by a University’s hospital which does not also run a student clinic, only HIPAA (not FERPA) apply and a **HIPAA release** would be useful.
  - **Important:** Keep signed forms readily available: will they be accessible when you or the kids travel? Keep online: email inbox, on flash drive on keychain, or on Summit website.
- Health Insurance
  - Three sources of health insurance: parent’s employer-based; school offered, and private individual. See <http://tinyurl.com/studentinsurance>
  - School rules may require their own coverage or a waiver. Waivers may need to be signed annually.
  - Parents can keep kids on their insurance through age 25 under 2010 health care legislation. Coverage through age 25 started nationally in 2010 and will available on all plans by end of 2011.
  - Web sites like [www.eHealthInsurance.com](http://www.eHealthInsurance.com) provide quick survey of private insurance.

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## HEALTH CARE CONSIDERATIONS – CONTINUED

- Review Health Insurance Coverage
  - Check coverage limits for serious auto accident, pregnancy, mental illness and drug addiction.
  - Are expenses beyond a low limit, such as \$2,500 per condition per year, covered?
  - Many plans have “in-network” providers only in their coverage area – e.g., your state. Check for in-network providers where your student will be, to keep treatment costs down.
  - School insurance may not apply if they leave school (i.e. vacation, summer, travel, especially out of country travel) or are not full time students. Check definition of full time student.
- Be sure student has copy of front and back of health insurance card in wallet.
- Discuss with student how insurance works: in- or out-of-network, copays, etc.
- When using parent’s insurance, student may need to be a dependent on parent’s tax return. A tax planning strategy based on not claiming student as a dependent could result in loss of their health insurance.
  
- How to find health care
  - Be sure child knows where the student health center and nearest emergency room are located. How to get there if they can’t walk or drive (e.g., call 911 or campus police).
  - If your insurance policy has a “Call A Nurse” number for consultations, share with student
  - Online sites may be helpful: e.g., [WebMD.com](http://WebMD.com) [mavoclinic.com](http://mavoclinic.com) or [www.nlm.nih.gov/medlineplus](http://www.nlm.nih.gov/medlineplus)
  - How to get a prescription (re)filled? National chains may allow refills in the college town.
  - Don’t share your pills!!
  - Immunization Records – give child has a copy of their immunization record so they can answer questions about previous vaccinations (do they need a tetanus shot when they fall on the rusty nail or did they have a shot a year ago?) If in doubt, they may end up with a duplicate vaccination.
  
- Dental insurance/coverage
  - Most school health care facilities don't address dental care. Make sure the kids have enough information to visit a dentist or orthodontist in an emergency. Ask your dentist/orthodontist for a referral for the city where your child is attending college. Call periodontist or oral surgeon in kid’s area for dentist referrals.
  
- Tuition insurance is available for withdrawals due to sickness, injury or mental health issues. Policies may be available from the school or privately. Colleges have refund policies. Insurance will have pre-existing condition exclusions. You can find providers and discussion of pros and cons with an internet search.
  
- Watch for privacy statement/authorization from school - can allow or restrict parental info
  - Consider having the student sign a FERPA waiver if available – check the school website. FERPA applies well beyond medical records. May need to re-sign each year.
  
- Emergency notification in event of accident or other emergency
  - Ohio BMV website provides emergency contact based on driver’s license
  - Create ICE (In Case of Emergency) entry on child’s cell phone, with parent’s phone number.
  - Get the name and number of other student (roommate?), friend, or organization on campus (police) who parents can contact if child cannot be reached by usual methods.
  - Give the other student your parent’s contact information – enter directly into their cell phone.

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## MANAGING FINANCIAL AFFAIRS

- Card instead of cash: Credit vs. Debit vs. School ID
  - Many schools have IDs to use instead of cash both on and off campus (businesses, restaurants, and bookstores near campus accept the money on student ID as payment.)
  - Consider a debit or credit card for travel and at school. Prefer one with no fees that works nationally.
  - There are pros and cons for debit cards (control spending) or credit cards (build credit history they will need to rent apartment, lease car, etc. when they leave school). Try an internet search on: “credit debit student” for commentary. Think about a progression of cards: debit card freshman year, credit later? First credit card might be cosigned, replaced by “college credit card” as soon as possible.
  - There are three ways to get a credit card for someone under 21 after the Credit Card Act of 2009:
    - Authorized user of parent’s card. Helps student get credit history. Parent fully responsible for bills. Might get separate card just to use with kid, or get credit limit reduced on the card they use.
    - Card with parent cosigning. Parent responsible to pay the bill if student doesn’t. Card can’t be switched to child at age 21. Canceling card and getting new one could actually hurt student’s credit by requiring new credit inquiry and shortening history on canceled card.
    - “College credit card” if the student has earned income. They can keep card at 21, and establishes credit history in their name.
  - Think about how to get funds into student’s account.
    - Cards paired with a joint checking or savings account, or the student having an account at the same bank or brokerage house as the parents can provide parents easy way to deposit funds in their student's account to make allowance payments and deposits for irregular expenses (e.g., textbooks, an airplane ticket home).
    - Consider setting up automatic transfer of monthly “allowance” or budget amount into card account.
    - Pair a debit/credit card with online savings account for an emergency fund. Define emergency (out of beer again?)
  - Think about desirable level of parental visibility into debit/credit card.
  - Low limit credit cards can help kid build up a credit rating – important for their first car or apartment. Take care with a high limit card: you can request a reduction in credit limits. Don’t have a limit so low that card gets maxed out, as hitting the limit hurts your credit rating.
  - Holds may be placed on cards swiped before the bill is known: hotels, rental car agencies, gas stations for \$70 to \$100, and even restaurants for tips. The held amount may be unavailable for several days.
  - Put a password on the debit or credit card to prevent identity theft when using online: [www.Mastercard.com/securecd](http://www.Mastercard.com/securecd) or [www.Visa.com/verified](http://www.Visa.com/verified)
  - Tell the credit card company not to send the student blank checks for cash advances.
  
- The school may offer online tuition, health insurance and fee payment the student sees on their school login. Bills may be sent to the student, and the parent never sees them, or sees them too late. Parents could share login. Kids may grant parental access through a “guardian pay” account, providing parental visibility.

# TRANSITIONING TO COLLEGE CHECKLIST

## MANAGING FINANCIAL AFFAIRS - CONTINUED

- Identity theft and credit reports
  - Put strong passwords on phone, laptop (8 characters; mixed case, numbers, special characters)
  - Use encryption software (e.g. Roboform) to store/protect passwords on laptop
  - Use a lock/safety box to protect financial information and purse/wallet while in dorm room
  - Keep copy of bank cards, drivers license, passport at home
  - Call 888-5-OPTOUT to block credit rating agencies from selling student's credit information
  - Pull a credit report on the student and the parents individually before applying for aid
  - Annual free check of credit report at [www.annualcreditreport.com](http://www.annualcreditreport.com). Each of three major credit agencies can be checked free once a year: could do different one every 4 months. If you and kid are cosigners/joint owners of accounts, that's an extra reason to check your credit report as well as kid's.
  
- Track expenses and cash flow
  - Teach student how to balance checkbook/track expenses. Start as high school senior?
  - Consider mint.com – hook to debit card to track where money goes. Sends alerts when bills due.
  - Establish a monthly budget and track against it. School financial aid website may have spending estimate.
  
- Schedule annual holiday financial checkup with kid: make it an expectation before leaving for school
  - Pull credit report
  - Review history: summarize dollars spent, emergency fund balance, and plan for next period: bills, income, taxes, ...
  
- Put student in charge of financial affairs
  - Have the student help with FAFSA form
  - Have student take a personal financial planning class through business school or consumer science school
  - Student loans: When do payments start? How much is due on what schedule? Deferral possibility?
  
- Consider financial power of attorney: a possibility to assist child or access financial accounts; standard (statutory) forms available in many states.
  
- Tax returns
  - Agree with student who is going to file their tax returns – parent or student? (Don't both file!)
  - Take them with you to tax preparer, or sit with you when preparing their tax returns.
  
- Some people like idea of buying a condo/house for kid, sell when they leave. Probably not a good idea for a freshman! Perhaps for a super-responsible kid who will be a grad or medical student, or if younger sibling will attend same college, giving more time for appreciation.

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## OTHER CONSIDERATIONS

- Textbooks
  - Colleges nationwide must disclose the retail prices for textbooks, trade publications and other required supplies when students register for classes online.
  - Federal law requires publishers, with few exceptions, to sell supplemental materials (CDs, study guides, etc.) separately so students don't have to purchase a textbook bundled with them.
  - Explore ways to buy books at lowest cost: e.g., school bookstore (new vs. used), Amazon textbooks, buy from friends. More tips at [tinyurl.com/collegebooks](http://tinyurl.com/collegebooks)
  - Amazon Prime and Barnes and Noble preferred accounts provide free shipping
  - Textbooks can be rented: e.g. [www.chegg.com](http://www.chegg.com) Electronic copies may also be rented (Amazon)
  - Textbooks can be sold, if in good condition: e.g. Amazon.com buys used books
  - Shop for books before the last minute so you have time to try cheaper alternatives
  
- Computers
  - School may provide computer, or offer deals on hardware and software. Check required versions.
  - Microsoft often provides registered students free or very inexpensive versions of software. E.g., once have student email address, look for Microsoft software academic pricing
  - EBay sellers often have academic versions of software for sale
  - Computers may be critical to have available all the time
    - Consider onsite warranty so repair person comes to the student, instead of taking computer to store or shipping away for repair. Time may be of the essence and transportation difficult.
    - Do online backups. School may provide facility, or look to programs like [mozy.com](http://mozy.com)
    - Get a physical computer lock to prevent theft.
    - Practice safe computing: antivirus and antispyware, automatic updates (Adobe, Java, ...)
    - Set strong password on computer. Use limited or standard user account for daily use.
  
- Cell phone
  - Consider a family plan with unlimited minutes among family members
  - Have your student teach you how to text and add a texting plan to your phone
  - Encourage student to enroll in emergency phone/text alerts if provided by the school
  - Use a password/lock on cellphones, especially smart phones.
  
- Travel
  - Frequent Flier Number(s). Enroll child in a program or if your child is already enrolled, make sure parents have the number(s) if they are making travel arrangements
  - Show child travel websites, including rate shopping sites like [www.kayak.com](http://www.kayak.com), [www.orbitz.com](http://www.orbitz.com), [www.travelocity.com](http://www.travelocity.com), [www.expedia.com](http://www.expedia.com)
  - Websites providing one-way tickets (when is that return?): [statravel.com](http://statravel.com) and [studentuniverse.com](http://studentuniverse.com)
  - Short-term car rentals (e.g., hourly) are available on many campuses and cities. (e.g., [zipcar.com](http://zipcar.com))
  - Cars can be rented if age 25. Some companies will rent at 21 and others at 18. Watch extra fees.
  - Check your auto insurance for your child's coverage, and what can be declined with rental.
  - Traveling abroad: Check to see if medical insurance covers student. Consider medical evacuation insurance. See websites such as [insuremytrip.com](http://insuremytrip.com)
  - Get cell phone numbers of people traveling with your child

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## OTHER CONSIDERATIONS - CONTINUED

- Passport:
  - If the student has a passport, take it to college. Some cities full of college students require them for identification. If they get a job will need proof of citizenship (a driver's license may work).
  - Your student might be taking an unexpected trip for an educational opportunity or vacation.
  - Keep (scanned) copy of passport at home – easier to replace if lost, especially if lost abroad.
  - Consider getting a passport in case the need arises so it isn't rushed.
  
- Property and Casualty Insurance
  - Auto insurance: Discount on student's auto for garaging at home and not taking it to school?
  - Auto insurance: Discount on family car for not having student driver while in school?
  - Expensive stuff at school? In off-campus housing? Talk with homeowner's insurance agent on pros and cons of carrying on homeowner's policy or a renter's policy. Consider deductibles, limits, consequences/cost of extra claims on homeowner's policy.
  
- Voting: Gather information about obtaining absentee ballots if they want to vote while at school

For more depth on many of these topics, and a broader view of financial affairs, a comprehensive book providing “a navigation system for finding your way through an increasingly complex and confusing financial world” is Karen Blumenthal's *The Wall Street Journal Guide to Starting Your Financial Life*. Three Rivers Press, 2009.

## ACKNOWLEDGEMENTS AND DISCLAIMERS

Please send us your feedback and real life lessons learned via email [clientservices@summitfin.com](mailto:clientservices@summitfin.com)

We would like to acknowledge the many people who have offered suggestions or reviewed this list. The names would be a very long list, and we would miss several. As a partial remedy, we'd like to say that we've received input from current college students, recent graduates, our interns, parents of students, college dormitory Residence Assistants, estate planning attorneys, attorneys who advise colleges and universities, doctors, health insurance company medical directors, financial planners and anybody else we could entice to contribute. Your input will improve it further!

The disclaimers: Every school, state, and family situation will be different, and you must be the judge of what applies for your family. The content should be viewed as helpful hints – it certainly is not legal advice, which should only come from your attorney.